

## **3 FAM 7350 PREMIUM COMPENSATION**

*(CT:PER-678; 06-22-2012)  
(Office of Origin: HR/OE)*

### **3 FAM 7351 GENERAL**

*(TL:PER-237; 01-01-1995)  
(Uniform State/USAID/USIA/Commerce/Agriculture)  
(Applies to Foreign Service Nationals Only)*

- a. Premium compensation for FSN's consists of overtime, local holidays, and night-differential pay. Premium pay rates are based on prevailing pay rates and practices in the locality. Where the payment of such compensation is not customary in the locality, FSN's are expected to perform such work without additional compensation.
- b. Premium pay is computed on an employee's basic salary rate which excludes all salary supplements, such as direct benefit payments and benefit adjustments (see section of 3 FAH-2 H-227 D.1, Chapter 2), unless local law and/or well-established local custom supports computation of premium pay on another salary component.

### **3 FAM 7352 OVERTIME**

*(TL:PER-237; 01-01-1995)  
(Uniform State/USAID/USIA/Commerce/Agriculture)  
(Applies to Foreign Service Nationals Only)*

- a. Overtime work is all work performed other than during an employee's regular basic working hours (basic workweek). Overtime pay rates are normally stated on the compensation plan in terms of a basic hourly rate such as time and one-half, time and one-quarter, or straight time per hour. If there is no provision on the plan for overtime payments, no payments may be made. Overtime work for FSN's is authorized or approved only as an emergency measure to avoid serious backlogging of regular work or to meet some temporary crisis. It should be kept to a minimum except when necessary to protect life or Government property.
- b. Compensatory time off may be granted to FSN employees in lieu of overtime compensation if it is the local practice. The rate of accrual and other procedures should relate to those prevailing locally.

### **3 FAM 7353 NIGHT DIFFERENTIAL**

*(TL:PER-237; 01-01-1995)*

*(Uniform State/USAID/USIA/Commerce/Agriculture)*

*(Applies to Foreign Service Nationals Only)*

- a. Night-pay differential is a premium paid for work regularly scheduled at night, during the hours specified or designated in accordance with local law or custom. In most areas, night differential payments are not customary because additional pay, if any, for regular work at night is reflected in the prevailing pay rates for the type of work involved; (for example. night guard.)
- b. Overseas establishments usually need a night differential rate only if they have a number of FSN employees performing the same job on a shift basis. If there is no provision on the local compensation plan for night differential pay, no additional compensation may be paid. Night differential pay rates are normally stated on a local compensation plan in terms of an additional percentage of basic compensation and show the hours during which such differential is payable; (for example, "10 percent per hour in addition to basic compensation for regularly scheduled work between 6:00 p.m. and 6:00 a.m.") This type of payment should not be confused with overtime work performed at night. Overtime work is work performed outside a basic workday while night-pay differential is premium pay for work performed within a basic workday.

### **3 FAM 7354 HOLIDAY**

*(TL:PER-237; 01-01-1995)*

*(Uniform State/USAID/USIA/Commerce/Agriculture)*

*(Applies to Foreign Service Nationals Only)*

- a. Holiday pay for FSN employees is premium compensation paid in addition to basic compensation for work ordered to be performed during basic working hours on local holidays designated in accordance with 2 FAM 111.2. Work during basic working hours on U.S. holidays that are not also local holidays does not entitle an FSN employee to regular holiday pay, but entitles them to straight time per hour worked in addition to basic pay. Work performed during other than basic working hours is overtime work and is treated accordingly even though it is performed on local or U.S. holidays. Holiday pay rates are stated on a local compensation plan. Normally, these rates are shown in the plan as the amount payable in addition to basic compensation; (for example, "straight time per hour in addition to basic compensation.") If there is no provision for local holiday pay in the compensation plan, no additional compensation may be paid.
- b. An FSN employee excused from work during basic working hours on a designated local holiday is paid for such time at the employee's regular hourly rate without charge to leave.

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## **3 FAM 7355 THROUGH 7359 UNASSIGNED**

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